

RAAUZYUW RUDIDFE0005 1221850UUUU--RHMCSUU.

ZNR UUUUU

R 021850Z MAY 05 ZYB

FM DFAS INDIANAPOLIS IN//ADIP//

TO AIG 4579

INFO DFAS INDIANAPOLIS IN//ADIP//

BT

UNCLAS

MSGID/GENADMIN/DFAS-ADIP//

SUBJ//Recording Downward Obligation Adjustments (ACCTG POL IMPL MSG 05-35)

A. DFAS-IN REGULATION 37-1, CHAPTER 8, PARAGRAPH 0819.

1. THIS MESSAGE IS A REMINDER OF THE POLICY REGARDING RECOVERIES VS CREDIT OBLIGATIONS.

2. RECORD CURRENT YEAR DOWNWARD OBLIGATION TRANSACTIONS AS CREDIT OBLIGATIONS (TRC 1J).

3. RECORD ALL PRIOR YEAR (INCLUDING X YEAR) DOWNWARD OBLIGATION TRANSACTIONS AS RECOVERIES (TRC 1D) UNLESS THEY ARE A CORRECTION OF AN ACCOUNTING ERROR. AN ACCOUNTING ERROR IS WHEN THE SUPPORTING DOCUMENTS ARE CORRECT, BUT THE ENTRY INTO THE ACCOUNTING SYSTEM WAS MADE INCORRECTLY. ACCOUNTING ERRORS DO NOT INCLUDE ADJUSTMENTS IN THE AMOUNT OF PREVIOUS OBLIGATIONS. THE TERM PRIOR YEAR MEANS ANY YEAR THAT IS NOT THE CURRENT YEAR, INCLUDING UNEXPIRED APPROPRIATIONS NOT IN THE INITIAL YEAR OF AVAILABILITY AS WELL AS EXPIRED APPROPRIATIONS. DO NOT OFFSET PRIOR YEAR RECOVERIES WITH CORRECTIONS OF PRIOR YEAR ACCOUNTING ERRORS. RECORD EACH TYPE OF TRANSACTION SEPARATELY.

4. THE STANFINS SYSTEM SYSTEMATICALLY ASSIGNS A RECOVERY CODE TO ALL PRIOR YEAR DOWNWARD OBLIGATION TRANSACTIONS. IF THE CUSTOMER DETERMINES THE PRIOR YEAR TRANSACTION IS A CORRECTION OF AN ACCOUNTING ERROR THEY MAY OVERRIDE THIS DEFAULT BY ENTERING "B" IN POSITION 27 OF THE FILE LAYOUT FOR ANY OBLIGATION, OR THE OBS/DEOBS POSITION IN TAPS IN THEIR OBLIGATION TYPE ACTION (TA).

5. IF A PRIOR YEAR CORRECTION HAS ALREADY BEEN ENTERED AS A RECOVERY, THEY MAY PROCESS A TA 23 CREDIT WITH "B" IN POSITION 27 AND A TA 23 DEBIT WITH "A" IN POSITION 27. THIS CONFIRMS THE E-MAIL STANFINS RECENTLY PROVIDED WITH DETAILED INSTRUCTIONS FOR THIS PROCESS.

6. POCS.

A. ACCOUNTING PROCEDURES, 317-510-3380.

B. STANFINS, 317-510-6382.//

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